



# MARYLAND

## GRAIN & LIVESTOCK REPORT

January 4, 2013	MDA #117	VOLUME 38	No. 1	PUB. Weekly
WEEKLY GRAIN COMMENTARY		Kevin McNew	Adjunct Professor, UMD-College Park	

### Ahead of Next Week’s Reports, Grains Continue to Tumble

The New Year has not been favorable for the grain markets thus far. Concerns continue to surround demand as another export sale cancellation was announced by China Thursday. Corn use lags well behind to meet the current USDA projections and Egypt has now pulled out of the world market for wheat purchases. All items are bearish fundamentally as we look ahead to the January 11<sup>th</sup> USDA reports.

Corn continues to slide lower as demand prospects remain abysmal. Friday will provide the market with some fresh fundamental news to digest as the EIA ethanol production and stocks numbers are released. Also, export sales figures will be published with estimates being in the 200,000 to 350,000 MT range. Both reports were delayed due to the holiday Tuesday. Ethanol and export sales are lagging well behind the level needed to meet current USDA projections. It is believed that revisions will be made in next week’s reports.

Soybeans have had two days of selling to start the New Year. Follow through selling pushed the market lower to start the night session, but during the day session a cancellation of 315,000 MT made by the Chinese pushed the market to session lows around \$13.72. Soybeans did rebound later which gives the bulls fuel to make a run at \$14 again. The cancellation is a bit concerning, but keep in mind that sales are running well ahead of pace to meet current USDA projections. For tomorrow’s report, analysts expect between 250,000 and 450,000 MT of sales to be reported.

Wheat continues to move lower and has tested the psychological support level of \$7.50 the last two sessions. Today’s selling was partially aided by Egypt’s purchasing entity GASC announcing that they have enough supplies to last until June. This was bearish for the market as Egypt is the world’s #1 buyer of wheat. Export sales have been better of late and estimates for tomorrow’s report are in the area of 350,000 to 550,000 MT.

So far 2013 has not started well for the grains. As traders and producers position themselves ahead of next week’s reports, demand figures continue to be a major concern. Egypt has pulled out of the market for purchasing wheat and China continues to cancel purchases. Corn used by ethanol facilities and export sales lag far behind to meet current USDA projections. These will all be items addressed on January 11<sup>th</sup> when the USDA releases its year-end reports.

### CASH GRAIN PRICE – REGIONAL (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/18	01/02	12/18	01/02	12/18	01/02	12/18	01/02
Western, MD	6.78	6.70	13.70	12.93	8.13	7.63	5.00	5.00
Central, MD	7.00	6.85	13.86	13.10	8.14	7.60	----	----
Southern, MD	7.05	6.76	13.96	13.27	7.41	6.85	----	----
Upper E. Shore	7.46	7.17	14.01	13.37	7.56	7.00	----	----
Lower E. Shore	7.60	7.31	14.31	13.58	7.54	6.98	----	----

### FORWARD CONTRACT PRICE – REGIONAL (\$/bu) HARVEST DELIVERY DEALER’S AVG. QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/18	01/02	12/18	01/02	12/18	01/02	12/18	01/02
Western MD	----	----	----	----	----	----	----	----
Central MD	----	----	----	----	----	----	----	----
Southern MD	----	----	----	----	----	----	----	----
Upper E Shore	----	----	----	----	----	----	----	----
Lower E Shore	----	----	----	----	----	----	----	----

### GRAIN FUTURES - CME Group - Settle - January 3, 2013 Quarter - cents/bushel)

Corn		Soybeans		Wheat		Soybean Meal <sup>1/</sup>	
MAR13	689’2	JAN13	1403’0	MAR13	755’4	JAN13	405.6
MAY13	691’0	MAR13	1386’4	MAY13	764’6	MAR13	404.2
JLY13	686’4	MAY13	1378’2	JLY13	771’2	MAY13	398.4
SEP13	609’4	JLY13	1376’4	SEP13	783’4	JLY13	396.0
DEC13	587’4	AUG13	1356’2	DEC13	797’0	AUG13	388.8
MAR14	597’2	SEP13	1322’0	MAR14	808’2	SEP13	378.1
MAY14	604’4	NOV13	1291’6	MAY14	807’6	OCT13	363.5
JLY14	606’6	JAN14	1298’4	JLY14	794’0	DEC13	361.6
SEP14	575’2	MAR14	1304’2	SEP14	800’6	JAN14	363.1
DEC14	573’4	MAY14	1308’0	DEC14	808’6	MAR14	366.5

### HAY AND STRAW

New Holland, PA - December 31, 2012 - \$/ton

Alfalfa	Mixed Hay	Timothy	Grass	Straw
235.00 – 380.00	155.00 – 410.00	200.00 – 475.00	80.00 – 360.00	185.00 – 225.00

Westminster, MD – December 31, 2012 - \$/bale

Alfalfa	Alfalfa Mix	Timothy	Timothy Mix	Grass Mix	Straw
3.10 – 3.80	4.30 – 8.10	4.00 – 5.90	2.40 – 5.50	1.90 – 8.50	1.50 – 3.40

POULTRY <sup>2/</sup>							
Negotiated price for truck lot of ready-to-cook, ice-pack, Grade A Fryers (\$/CWT) – Week Ending - January 5, 2013							
		Current Week		Prev. Week	Prev. Month	Prev. Year	
N.Y. Weighted Avg.		95.55		95.55	98.86	77.95	
12 City Composite		95.67		95.67	98.58	81.70	
SHEEP & LAMBS - Westminster, MD – January 1, 2013– (\$/CWT)				GOATS & KIDS – January 1, 2013			
Sheep	N/A	Lambs Under 50	120.00 – 132.00	Large		135.00 – 165.00	
		50 – 80 lbs	120.00 – 138.00	Medium		90.00 – 135.00	
		90 – 130 lbs	60.00 – 135.00	Kids		60.00 – 68.00	
HOGS & PIGS							
DIRECT MARKET HOGS - January 3, 2013 <sup>2/</sup>			MARKET HOGS - Westminster, MD – January 1, 2013				
*Base Price Range	Carcass Basis	Weighted	Butcher Hogs		Sows		
	Base 185 lb Hog	Average	#1 215 – 275 lbs	64.00 – 67.50	Heavyweights	20.00 – 24.00	
Iowa, Minn	70.00 – 84.50	82.19	Heavyweights	17.50 – 64.00			
Eastern Cornbelt	77.01 – 81.50	80.69			Boars		
* Base price is the price from which no discounts are subtracted and no premiums are added					Heavyweights	17.50 – 22.50	
MARKET HOGS-Lancaster, New Holland & Vintage, PA - (\$/CWT) - December 31, 2012 <sup>2/</sup>							
Percent Lean	Weight	Price		Percent Lean	Weight	Price	
49 - 54	220 – 300 lbs	63.00 – 67.00		45 - 49	220 – 300 lbs	58.00 – 62.50	
	300 – 400 lbs	68.00 – 70.00			300 – 400 lbs	65.00 – 67.00	
FEEDER PIGS-Lancaster, New Holland & Vintage, PA-(\$/CWT) (US 1-2), January 2, 2013 Next Feeder Pig sale – Jan. 16, 2013 <sup>2/</sup>							
Weight	Price	Wt Avg Price					
25 – 30 lbs	210.00 – 210.00	210.00					
30 – 40 lbs	170.00 – 170.00	170.00					
LIVESTOCK FUTURES - CME Group - Settle (CWT) – January 3, 2013							
LIVE CATTLE – FUTURES				LEAN HOGS – FUTURES			
FEB13	133.85	AUG13	131.93	FEB13	86.40	JUN13	98.95
APR13	137.33	OCT13	135.40	APR13	90.15	JLY13	98.60
JUN13	132.13	DEC13	136.10	MAY13	96.98	AUG13	97.95
STOCKER – FEEDER CATTLE – (\$/CWT)							
Winchester, VA – December 31, 2012 <sup>2/</sup>			Westminster, MD – January 1, 2013				
Steers	400 – 500 lbs	140.00 – 142.00	Steers	200 – 300 lbs	82.00 – 104.00		
	500 – 600 lbs	136.00		400 – 500 lbs	110.00 – 142.00		
	600 – 700 lbs	133.00 – 137.50		600 – 700 lbs	90.00 – 108.00		
	700 – 800 lbs	137.50		800 – 1000 lbs	N/A		
Heifers	300 – 400 lbs	123.00					
	400 – 500 lbs	121.00 – 130.00	Heifers	200 – 300 lbs	62.00 – 78.00		
	500 – 600 lbs	123.00 – 134.00		400 – 500 lbs	90.00 – 105.00		
	600 – 700 lbs	123.00 – 137.00		600 – 700 lbs	N/A		
	800 – 900 lbs	123.00		800 – 1000 lbs	N/A		
SLAUGHTER CATTLE (\$/CWT)							
Westminster, MD – January 1, 2013							
Sltr. Cows			Fed Heifers				
Breakers	64.00 – 67.00		Fat	122.00 – 126.00			
Boners	57.00 – 62.00						
Thin/Slow	55.00 & Down						
Fed Steers			Holstein Bull Calves to Feed				
Fat	128.50 – 131.50		#1	117.50 – 127.50			
Lean	124.00 – 126.50		#2	87.50 – 98.50			
			#3	77.00 & Down			
Lancaster, New Holland & Vintage – January 3, 2013 <sup>2/</sup>							
Sltr. Steers:			Sltr. Heifers:				
Hi Ch & Pr 3-4	1200 – 1575 lbs	130.00 – 133.50	Hi Ch & Pr 3-4	1350 – 1550 lbs	125.50 – 129.00		
Choice 2-3	1270 – 1600 lbs	126.00 – 129.50	Choice 2-3	1300 – 1400 lbs	120.00 – 122.00		
Select 1-3	1180 – 1600 lbs	120.00 – 125.50	Select 1-3	1400 – 1600 lbs	112.00 – 118.00		
Sltr. Holsteins:			Sltr. Cows:	Percent Lean	Avg. Dressing		
Hi Ch & Pr 3-4	1500 – 1650 lbs	113.00 – 115.00	Premium White	65 – 75	76.00 – 79.50		
Choice 2-3	1550 – 1650 lbs	105.50 – 109.00	Breakers	75 – 80	76.00 – 79.50		
Select 1-3	1400 – 1600 lbs	99.00 – 104.50	Boners	80 – 85	75.00 – 79.50		
			Lean	88 – 90	69.00 – 74.50		

1/ Price Unit: Dollars and cents/ton (100 tons (2,000 lbs/ton))  
2/ Source: USDA, AMS